

Regular Session, 2009

SENATE BILL NO. 338

BY SENATOR GRAY EVANS

TAX EXEMPTIONS. Exempts from state and local sales tax the sale of construction materials to certain organizations intended for use in constructing, rehabilitating, or renovating new residential dwellings in this state which were destroyed or damaged by Hurricanes Katrina or Rita. (7/1/09)

AN ACT

To enact R.S. 47:305.62, relative to the sales and use tax of the state and its political subdivisions; to exempt the sale and use of certain construction materials sold to certain organizations; to limit the amount of exemptions granted on a calendar year basis; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:305.62 is hereby enacted to read as follows:

**§305.62. Exemption; charitable residential construction, rehabilitation, and renovation; limitation**

**A. The sales and use tax imposed by the state of Louisiana and all of its tax authorities shall not apply to the sale of construction materials to Hands on New Orleans and Rebuilding Together New Orleans covenant partners located in this state when such materials are intended for use in either constructing, rehabilitating, or renovating residential dwellings in this state which were destroyed or damaged by Hurricane Katrina or Hurricane Rita.**

**B. No more than five hundred thousand dollars of state and local exemptions authorized pursuant to this Section shall be granted in any calendar**

1            **year.**

2                            **C. The secretary of the Department of Revenue shall promulgate rules**  
3                            **and regulations necessary to implement the provisions of this Section.**

4            Section 2. This Act shall become effective on July 1, 2009; if vetoed by the governor  
5            and subsequently approved by the legislature, this Act shall become effective on July 1,  
6            2009, or on the day following such approval by the legislature, whichever is later.

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The original instrument was prepared by Jerry J. Guillot. The following digest, which does not constitute a part of the legislative instrument, was prepared by Danielle Doiron.

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#### DIGEST

Gray Evans (SB 338)

Proposed law exempts Hands on New Orleans and Rebuilding Together New Orleans covenant partners from state and local sales tax for the sale of construction materials located in this state when the materials are intended for use in constructing, rehabilitating, or renovating new residential dwellings in this state which were destroyed or damaged by Hurricane's Katrina or Rita.

Proposed law requires that no more than \$500,000 of state and local exemptions shall be granted in any calendar year.

Proposed law requires the secretary of the Department of Revenue to promulgate the rules and regulations.

Effective July 1, 2009.

(Amends R.S. 47:305.59)

#### Summary of Amendments Adopted by Senate

##### Committee Amendments Proposed by Senate Committee on Revenue and Fiscal Affairs to the original bill.

1. Exempts Hands on New Orleans and Rebuilding Together New Orleans covenant partners from state and local sales tax for the sale of construction materials located in this state when the materials are intended for use in constructing, rehabilitating, or renovating new residential dwellings in this state which were destroyed or damaged by Hurricane's Katrina or Rita.
2. Requires that no more than \$500,000 of state and local exemptions shall be granted in any calendar year.
3. Requires the secretary of the Department of Revenue to promulgate the rules and regulations.